

Development Activity Highlights and Five-Year Forecast (2006-2011)



Prepared by:

**City of San Jose
Department of Planning, Building and Code Enforcement
February 2006**

Development Activity Highlights and Five-Year Forecast (2006-2011)

For more information, please contact:

**City of San Jose
Department of Planning, Building and Code Enforcement
Planning Services Division
200 East Santa Clara Street
San Jose, CA 95113
(408) 535-3555**

*This report and other information can be found
on the Planning Divisions' web site:*

<http://www.sanjoseca.gov/planning>

Development Activity Highlights and Five-Year Forecast (2006-2011)

TABLE OF CONTENTS

<u>Section</u>	<u>Title</u>	<u>Page</u>
I	Purpose	1
II	Summary	1
III	Five-Year Forecast (2006-2011)	3
IV	Construction Taxes and Exemptions.....	5
V	Major Development Activity Data.....	6
	<i>Residential</i>	<i>7</i>
	<i>Commercial</i>	<i>11</i>
	<i>Industrial</i>	<i>14</i>
VI	Major Development Activity Maps (Planning Areas)	15
	<i>Alviso</i>	<i>16</i>
	<i>North.....</i>	<i>17</i>
	<i>Berryessa.....</i>	<i>18</i>
	<i>Central.....</i>	<i>19</i>
	<i>Alum Rock.....</i>	<i>20</i>
	<i>West Valley.....</i>	<i>21</i>
	<i>Willow Glen.....</i>	<i>22</i>
	<i>South.....</i>	<i>23</i>
	<i>Evergreen</i>	<i>24</i>
	<i>Cambrian/Pioneer.....</i>	<i>25</i>
	<i>Edenvale</i>	<i>26</i>
	<i>Coyote.....</i>	<i>27</i>
VII	Appendix: Sources.....	28

Development Activity Highlights and Five-Year Forecast (2006-2011)

I. PURPOSE

The *Development Activity Highlights and Five-Year Forecast (2006-2011)* is a report issued annually by the Department of Planning, Building and Code Enforcement. The report serves several functions. First, the report assists the Office of the City Manager in estimating future construction-related tax revenues that generate funds for the City's Capital Improvement Program. Second, the report provides City policymakers and staff with key data for periodic assessment of the rate, type, and location of development activity in San Jose. Lastly, the report is a tool for distributing information on major development projects to members of the general public.

II. SUMMARY

After three consecutive years of sharp decline, construction activity in San Jose finally stabilized and even witnessed slight improvement during fiscal year 2004/05. The total value of building permits registered \$860 million—somewhat below the historical average¹ yet 15% above the “bottoming out” that occurred in the previous year. Looking forward, activity is expected to remain modest and stable, with permit valuation hovering around the \$1 billion mark over the duration of the forecast period. The following summary discusses current development activity and trends for each major land use category (residential, commercial, and industrial), providing some insight as to what may occur over the forecast period (2006-2011).

Residential Development

- *Residential construction activity in San Jose was moderate during fiscal year 2004/05, as building permits were issued for 3,293 new dwelling units. This was a 20% increase from fiscal year 2003/04 and matched the staff forecast (3,250 units). While multi-family housing improved slightly due to resurgence in condominium development, single-family construction was especially strong, posting its third consecutive annual increase, rising 60% from a ten-year low set in fiscal year 2001/02.*
- *Planning staff forecasts that residential construction activity will see a modest decline during fiscal year 2005/06, with the issuance of permits for 3,000 new dwelling units. This slowdown is attributed to rising mortgage rates and flattening prices. In any event, the much-discussed “housing bubble” is not expected to burst any time soon, with overall strength in the local market anticipated given an ongoing shortage of supply in Santa Clara County.*

- *Residential construction activity is expected to remain stable at roughly 2,750 units per year over the forecast period, which equals the level witnessed over the last four years. Future development is projected to consist primarily of higher density housing in strategic infill locations, including Specific Plan areas, sites near existing or planned transit stations, and the Downtown area. The development of high-rise housing in Downtown is a visible trend, with no less than half a dozen such projects having been submitted for review in the past eighteen months.*

Commercial Development

- *After three consecutive years of dramatic decline, commercial construction activity in San Jose stabilized during fiscal year 2004/05, registering \$210 million in total permit valuation, just short of the staff forecast (\$225 million). Vitality was mostly evident in the retail sector, with notable projects such as the renovation of the Eastridge Mall and Plaza de San Jose (a.k.a. Tropicana) Shopping Center, and construction of the new San Jose Marketcenter project at Coleman Avenue and West Taylor Street near Downtown.*
- *Planning staff forecasts that commercial construction activity should further stabilize at a low level during fiscal year 2005/06, generating \$250 million in total permit valuation. In addition to the ongoing construction of several retail developments, recent groundbreaking for a major expansion of the Regional Medical Center and other smaller medical office projects should provide a much-needed boost to commercial activity levels.*
- *Commercial construction activity is anticipated to rebound somewhat over the next few years. With approved retail redevelopment of the GE property (at Curtner Avenue and Monterey Road), pending applications for new Costco, Home Depot, and Loew's outlets, and the growing popularity of mixed use type projects in general, the outlook for commercial development in San Jose appears reasonably good.*

Industrial Development

- *Industrial construction activity in San Jose remained weak for the fourth consecutive year, amounting to \$140 million in total permit valuation during fiscal year 2004/05 (in-line with the staff forecast of \$150 million). One bright spot, however, was a 75% year-over-year increase in tenant improvements, with several of the City's major high tech firms having made substantial investments in their existing facilities.*
- *Planning staff forecasts a slight improvement in industrial construction activity during fiscal year 2005/06, with total permit valuation estimated to reach \$175*

million. However, no major projects are expected to break ground this year, with the majority of the sector's construction valuation once again stemming from tenant improvement work.

- *Activity levels for industrial construction will likely remain slow for some time to come, with no significant new supply anticipated over the forecast period. However, with the recent return of job growth (albeit small) and strong corporate profits, an economic turnaround appears to be getting underway. Two notable companies with future plans for growth in San Jose are eBay and BEA Systems, both of whom have received entitlements for major expansions of their existing North First Street campuses.*

¹Historical Average= Building permit valuation over the 1980-2005 time period.

III. FIVE-YEAR FORECAST (2006-2011)

The Department of Planning, Building and Code Enforcement's five-year forecast of development activity is summarized in Tables 1 and 2 (next page). Construction is expected to remain essentially flat, at \$900 million in permit valuation in fiscal year 2005/06. In future forecast years, development should increase modestly as a result of some improvement in non-residential activity, hovering around \$1 billion in permit valuation.

Table 1
Construction Valuation: FY 00/01 to FY 10/11

Fiscal Year	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<u>Actual Valuation¹ (in millions)</u>						<u>Projected Valuation (in millions)</u>					
<u>New Construction</u>											
Residential	\$442	\$336	\$417	\$383	\$422	\$375	\$375	\$375	\$325	\$325	\$325
Commercial	\$507	\$357	\$167	\$75	\$79	\$125	\$175	\$200	\$200	\$200	\$200
Industrial	\$247	\$29	\$3	\$22	\$32	\$50	\$125	\$150	\$150	\$150	\$150
Subtotal	\$1195	\$723	\$586	\$479	\$533	\$550	\$675	\$725	\$675	\$675	\$675
<u>Alterations</u>											
Residential	\$123	\$106	\$116	\$83	\$88	\$100	\$100	\$100	\$100	\$100	\$100
Commercial	\$258	\$139	\$139	\$128	\$131	\$125	\$150	\$150	\$150	\$150	\$150
Industrial	\$284	\$76	\$75	\$61	\$108	\$125	\$150	\$150	\$150	\$150	\$150
Subtotal	\$666	\$321	\$330	\$272	\$327	\$350	\$400	\$400	\$400	\$400	\$400
GRAND TOTAL	\$1861	\$1044	\$916	\$751	\$860	\$900	\$1075	\$1125	\$1075	\$1075	\$1075
<u>Tax Exemptions</u>											
Residential	*	*	*	*	*	\$(50)	\$(50)	\$(50)	\$(50)	\$(50)	\$(50)
Commercial	*	*	*	*	*	\$(25)	\$(25)	\$(25)	\$(25)	\$(25)	\$(25)
Industrial	*	*	*	*	*	\$(25)	\$(25)	\$(25)	\$(25)	\$(25)	\$(25)
Net Total (Taxable)						\$800	\$975	\$1025	\$975	\$975	\$975

*Note: Data on actual tax exemptions not available at the time of this report.

¹Valuation figures adjusted to 2005 dollars, per Bureau of Labor Statistics Consumer Price Index (CPI), San Jose-San Francisco-Oakland, all items index.

Table 2
Residential Units and Non-Residential Square Footage: FY 00/01 to FY 10/11

Fiscal Year	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
<u>Actual¹</u>						<u>Projected</u>					
<u>Residential (Units)</u>											
Single-Family	1,053	604	736	782	962	1,000	1,000	1,000	750	750	750
Multi-Family	3,053	2,374	2,910	1,927	2,331	2,000	2,000	2,000	1,750	1,750	1,750
TOTAL	4,106	2,978	3,646	2,709	3,293	3,000	3,000	3,000	2,500	2,500	2,500
<u>Non-Residential (sq.ft., in thousands)</u>											
Commercial	3,750	2,250	500	500	750	750	1,250	1,500	1,500	1,500	1,500
Industrial	3,000	250	0	150	250	500	1,000	1,000	1,000	1,000	1,000
TOTAL	6,750	2,500	500	650	1,000	1,250	2,250	2,500	2,500	2,500	2,500

¹NOTE: Data on residential units based on the Building Division's *Permit Fee Activity Report*.

Data on non-residential square footage estimated based on construction valuation in the Building Division's *Permit Fee Activity Report*.

IV. CONSTRUCTION TAXES AND EXEMPTIONS

The City of San Jose imposes a series of construction-related taxes that are generally used to finance the construction and improvement of facilities and infrastructure systems that provide capacity beyond the needs attributed to a particular development. These taxes are in addition to cost-recovery fees charged for processing and reviewing applications for development approvals and permits. The largest construction-related tax revenue sources are described below.

Building and Structure Construction Tax

The Building and Structure Construction Tax is imposed upon the construction, repair, or improvement of any building or structure where a building permit is required (except for authorized exemptions- see below). The proceeds from this tax are restricted in use to the provision of traffic capital improvements on major arterials and collectors, the acquisition of lands and interest in land, and the construction, reconstruction, replacement, widening, modification and alteration (but not maintenance) of City streets.

Construction Excise Tax

The Construction Excise Tax is imposed upon construction, alteration, repair, or improvement of any residential or commercial structure (except for authorized exemptions- see below). The tax does not apply to industrial development. This is a general purpose tax that may be used for any “usual current expenses” of the City. The City Council has historically used the majority of these funds for traffic infrastructure improvements.

Residential Construction Tax

The Residential Construction Tax is imposed upon any construction of a one-family dwelling unit or multi-family units or any mobile home lot in the City. This tax is collected and placed in a fund used to reimburse private entities that have constructed a portion of an arterial street that is wider than what is normally required in connection with residential development. The funds are also used to construct median landscaping and other street improvements.

Exemptions

Certain construction-related tax exemptions are provided in San Jose. These exemptions apply only in certain areas and/or to certain types of land uses, and are generally designed to accomplish one of the following objectives:

1. Reduce the economic constraints involved in the development of housing in high risk areas and/or housing for very-low income households;

2. Implement a separately administered funding arrangement that finances infrastructure and public service needs in an area only with revenue generated by development in such area (e.g., Evergreen Specific Plan Area); and,
3. Provide exemptions required by State or Federal law (e.g., hospitals, churches).

Planning staff estimates that \$100 million in construction valuation will be exempted each year over the forecast period, or approximately 10% of total valuation during this time (see Table 1 on page 4).

V. MAJOR DEVELOPMENT ACTIVITY DATA

Planning staff has collected a significant amount of data on development activity, which is the foundation for the five-year forecast contained in Section III of this report. These data focus on recent “major” projects with the highest likelihood to have the most significant impact on the forecast. Major projects are defined as residential projects greater than 50 dwelling units, commercial projects greater than 25,000 square feet, and industrial projects greater than 75,000 square feet. This data collection effort has identified approximately 28,500 dwelling units and over 15 million square feet of non-residential space submitted for Planning approval since January 1, 2002.

The development activity data on the following pages is first divided into three major land use categories-- residential, commercial, and industrial. Then, individual projects are divided into four subcategories based on project status-- projects completed, projects under construction, approved projects (construction not yet commenced), and projects pending City approval.

Major Residential Development Activity
Projects of 50+ Dwelling Units, Submitted Since 1/1/02*

File Number	Filing Date	Project Name	Tracking APN	Street Location	Planning Area	Housing Type	No. of Units	Proj. Mgr	Approval Date
<u>Projects Completed</u>									
PD02-014	3/8/02	Ranch on Silver Creek ¹	676-01-001	E/s Hwy 101, 1000' nly Hellyer	Evrgrn/Ednvl	SF	538	JB	7/24/02
PD02-030	5/8/02	Cortona at Tuscany Hills ²	455-62-020	N/s Hillsdale, opp term Vista Park	South	MF	521	DM	7/11/03
PD02-036	5/22/02	Midtown Plaza Condos	264-08-021	SE/c Meridian & Auzeais	Central	MF	257	SP	7/24/02
PD03-013	2/21/03	Cinnabar Commons	261-03-051	W/s Stockton, bet Lenzen & Cinnabar	Central	MF	245	EM	6/27/03
PD02-068	9/4/02	Las Ventanas Apts	455-20-063	Term Almaden & Hwy 87	South	MF	239	AA	1/17/03
PD02-029	5/7/02	Villa Cortina Condos	299-27-063	W/s Winchester, opp Magliocco	West Valley	MF	194	DM	7/11/02
PD03-015	2/27/03	Oak Tree Village Apts	684-46-104	NE/c Branham & Monterey	Edenvale	MF	175	JR	6/27/03
PD02-075	10/11/02	Summer Breeze Apts	497-23-013	SW/c Lewis & Wall	South	MF	160	AA	11/27/02
PDA00-017-01	8/29/03	Santana Row (Parcel 7)	277-40-012	SE/c Winchester & Stevens Creek	West Valley	SF/MF	152	EM	9/26/03
PD03-007	1/22/03	Oaks of Almaden Senior Apts	569-02-053	SE/c Cherryview & Russo	Cambrian/Pioneer	SF/MF	150	TE	5/16/03
PD02-002	1/3/02	Pollard Plaza Apts	477-16-084	E/s McLaughlin, 140' sly Story	South	MF	130	AA	5/24/02
PD04-029	4/28/04	Chianti at Tuscany Hills	455-59-001	N/s Hillsdale, opp term Vista Park	South	SF	126	JB	9/10/04
PD02-026	4/26/02	Tierra Encantada Apts ³	481-19-134	SE/c Alum Rock & McCreery	Alum Rock	SF/MF	105	SBW	7/1/02
PD03-053	9/10/03	Cahill Park (Phase 2)	261-36-058	S/s The Alameda opp. Stockton	Central	SF	100	EM	2/20/04
PD04-011	2/23/04	Carrara at Tuscany Hills	455-09-049	N/s Hillsdale, opp term Vista Park	South	MF	86	DM	5/28/04
PD03-048	7/28/03	Kingston Village	254-17-018	W/s Lundy, 1100' nly Mabury	Alum Rock	SF	78	CG	11/21/03
PD02-061	8/26/02	Vendome Place (Phase 1)	259-05-024	SE/c Asbury & Miller	Central	MF	67	AD	3/12/03

Total

3,323

Projects Under Construction

PD03-006	1/16/03	Corde Terra Apts/Homes	497-38-017	S/s Tully, 750' wly Senter	South	SF/MF	544	LM	3/9/05
PD03-062	10/14/03	The Sycamore at North Park Apts	097-07-090	W/s Zanker, 1000' sly Tasman	North	MF	445	EL	10/29/04
PD01-050	4/10/01	The Redwoods at North Park Apts	097-07-089	W/s Zanker, 2000' sly Tasman	North	MF	439	EL	12/20/02
PD03-004	1/13/03	Dairy Hill	455-28-012	S/s Curtner, 1000' ely Hwy 87	South	SF/MF	425	DM	5/16/03
PD04-074	9/29/04	The Villas/Courtyards Condos	244-20-025	SW/c Lundy & McKay	Berryessa	MF	304	MM	2/4/05
PD01-013	1/24/01	Fruitdale Station (Phase 1)	284-02-008	SE/c Southwest Expwy & Fruitdale	Willow Glen	MF	246	AA	8/31/01
PD01-010	1/19/01	Almaden Road Apts	434-26-012	W/s Almaden, 850' sly Alma	Central	MF	225	AA	4/25/03
PD05-011	2/4/05	Altura Condos	230-14-031	NE/c Newhall & Campbell	West Valley	SF	220	JR	6/9/05
PD05-005	1/25/05	Del Rosa at Miramonte	678-01-016	Nly side Metcalf, ely Hwy 101	Edenvale	SF	213	JR	12/8/05
PD04-008	2/9/04	Jackson Square Condos	484-02-010	SE/c S. Jackson & Madden	Alum Rock	MF	159	DC	8/13/04
PD04-001	1/7/04	Art Ark Apts	472-14-029	NE/c S. 5th & Keyes	Central	MF	148	LX	4/14/04

**Major Residential Development Activity
Projects of 50+ Dwelling Units, Submitted Since 1/1/02***

File Number	Filing Date	Project Name	Tracking APN	Street Location	Planning Area	Housing Type	No. of Units	Proj. Mgr	Approval Date
PD03-026	4/17/03	Orchard Heights	659-10-001	N/s Aborn, 2000' ely Ruby	Evergreen	SF	136	JB	8/15/03
RPD03-003	8/11/03	City Heights at Pellier Park	259-32-026	NW/c San Pedro & St. James	Central	MF	124	RDV.	2/4/04
PD03-069	10/22/03	Delmas Park Mixed Use	264-20-123	SE/c W. San Carlos & Bird	Central	MF	123	JD	12/19/03
PD04-038	5/20/04	Creeside Station Condos	254-29-012	W/s N. Capitol, 1500' sly Berryessa	Berryessa	MF	113	MM	10/29/04
PD03-063	10/14/03	Hawthorn Place	237-33-001	SW/c Oakland & Rock	Berryessa	SF	107	CG	6/14/04
PD04-027	4/20/04	Viridian at Bernal Park	249-06-007	SE/c N. 8th & Hedding	Central	SF	100	LB	9/10/04
PD03-031	5/30/03	Baton Rouge Condos	254-06-039	SW/c N. Capitol & Baton Rouge	Alum Rock	MF	92	CG	11/14/03
PD04-065	8/27/04	Bella Castello at Kelley Park Apts	477-04-029	SE/c Keyes & S. 12th	Central	MF	88	LX	10/27/04
PD03-030	5/20/03	Bentley Park	245-18-003	E/s Flickinger, 600' sly Hostetter	Berryessa	SF	84	CG	10/15/03
PD05-006	1/27/05	Autumn Terrace at Bonita	472-06-034	W/s Hwy 101, sly San Antonio	Central	SF	80	LX	6/15/05
PD03-060	10/8/03	Siena at Saratoga Townhomes	381-37-007	SW/c Saratoga & Graves	West Valley	SF	77	DM	5/25/04
RH03-002	5/30/03	Heart of the City Mixed Use	467-22-134	Bet. S. 2nd & 3rd, 110' sly Santa Clara	Central	MF	76	RDV.	9/9/03
PD99-083	12/20/99	Provinsalia Condos	455-19-124	W/s Hwy 87, sly term Canoas Garden	South	MF	72	ME	3/3/00
PD04-083	11/22/04	Marburg Place Condos	254-12-013	NE/c Hwy 101 & McKee	Alum Rock	SF	57	LX	6/9/05
PD03-061	10/14/04	WoodGlen	403-02-046	SW/c Woodglen & Campbell	West Valley	SF	56	LM	9/24/04
PD04-089	12/8/04	Autumn Terrace at College	472-21-034	SE/c S. 12th & Orvis	Central	SF	46	LB	4/15/05

Total

4,799

Approved Projects (Construction Not Yet Commenced)

PDC03-043	5/20/03	North Park Apts	097-07-068	E/s N. 1st bet River Oaks & Baypointe	North	MF	637	EL	9/30/03
HA04-038-01	7/18/05	Central Place Mixed Use	467-22-133	S/s San Fernando bet 2nd & 3rd	Central	MF	401	LX	9/7/05
H04-050	10/6/04	San Jose Condos	259-35-024	SW/c Carlisle & Notre Dame	Central	MF	330	LB	11/15/05
PDC02-046	5/14/02	Delmas Housing	259-38-036	NW/c San Fernando & Delmas	Central	MF	325	AD	2/3/04
PD04-085	11/24/04	Cahill Park (Phase 3)	261-33-038	S/s The Alameda opp. Stockton	Central	SF	265	EM	3/25/05
PD05-041	6/7/05	Hacienda Gardens ⁴	442-44-018	W/s Meridian, both sides Foxworthy	Willow Glen	MF	261	RB	9/19/05
PD04-021	4/1/04	Tamien Place Condos	434-13-015	NW/c W. Alma & Hwy 87	Central	MF	240	CH	8/13/04
PD04-084	11/24/04	Paseo Senter Family Apts	477-20-050	E/s Senter, 600' sly Needles	South	MF	218	LM	3/18/05
H05-037	8/18/05	The Heritage Mixed Use	264-29-053	NE/c Market & San Salvador	Central	MF	203	LB	1/6/06
PD05-032	5/2/05	Modern Ice Housing	249-68-001	NE/c Berryessa & Oakland	Central	MF	200	LX	7/27/05
PD04-024	4/14/04	Venetian Terrace	455-32-006	E/s Almaden Expwy, 500' sly Curtner	South	SF	170	EM	2/25/05
PD05-035	5/19/05	Virginia Terrace Townhomes	472-18-051	SW/c E. Virginia & S. 6th	Central	SF	147	LX	8/15/05
PD04-076	10/8/04	Ajisai Gardens Condos	249-37-006	SE/c E. Taylor & N. 7th	Central	MF	143	LB	5/4/05
PD04-103	5/10/04	Fiesta Senior Apts	274-14-142	NE/c San Carlos & Buena Vista	Central	SF/MF	127	EM	8/25/04

Major Residential Development Activity
Projects of 50+ Dwelling Units, Submitted Since 1/1/02*

File Number	Filing Date	Project Name	Tracking APN	Street Location	Planning Area	Housing Type	No. of Units	Proj. Mgr	Approval Date
PD04-072	11/19/03	Autumn Terrace at William	472-01-040	S/s E. William, 400' wly McLaughlin	Central	SF	105	RE	12/22/04
PD05-013	2/8/05	Campbell Housing	230-14-007	N/s Campbell, 1000' wly Newhall	West Valley	SF	104	JR	9/6/05
PD05-044	6/16/05	Pestana Housing	237-01-022	NW/c Oakland & Rock	Berryessa	SF	98	SM	12/22/05
PDA00-049-01	11/3/04	Fruitdale Apts	284-01-005	NE/c Southwest Expwy & Fruitdale	Willow Glen	MF	87	ES	2/18/05
PD05-045	6/22/05	Oakwood Apts (annex)	299-37-031	SE/c Saratoga & Blackford	West Valley	MF	84	RR	9/28/05
PD05-021	3/1/05	Casa Feliz SRO	472-28-101	W/s S. 9th, 90' sly E. William	Central	MF	59	LB	10/27/05
Total							4,204		

Projects Pending City Approval

PD05-087	11/18/05	Hitachi Site Mixed Use	706-04-013	NE/c Cottle & Hwy 85	Edenvale	SF/MF	2,930	JR	---
PDC03-108	12/23/03	Flea Market Mixed Use	254-17-084	Both sides Berryessa, wly UP railroad	Berry./Alum Rock	SF/MF	2,500	RB	---
PDC05-050	5/9/05	Arcadia Mixed Use (EEHVS)	670-29-020	S/s Quimby, 1000' wly Capitol	Evergreen	SF/MF	1,875	JB	---
PDC05-048	5/9/05	Berg Mixed Use (EEHVS)	659-02-007	Both sides Yerba Buena, sly Aborn	Evergreen	SF/MF	1,100	JB	---
PDC05-030	4/4/05	Santana Row	277-33-004	SE/c Winchester & Stevens Creek	West Valley	SF/MF	1,031	CH	---
PD05-077	10/21/05	Goble Lane Mixed Use	497-07-030	SE/c Monterey & Fehren	South	SF	969	LM	---
PDC05-051	5/9/05	Pleasant Hills Mixed Use (EEHVS)	649-23-001	NE/c Tully & S. White	Alum Rock	SF/MF	825	JB	---
PDC05-052	5/17/05	Legacy Mixed Use (EEHVS)	660-19-021	NE/c Yerba Buena & Old Yerba Buena	Evergreen	SF	675	JB	---
PDC05-099	10/11/05	Hyundai Site Housing	097-06-055	N/s Montague, 550' wly N. 1st	North	SF	608	JR	---
PDC05-053	5/9/05	Evergreen College Mixed Use (EEHV)	660-21-023	N/s Yerba Buena, 350' eby San Felipe	Evergreen	MF	500	JB	---
PDC05-101	10/14/05	Vendome Place	259-05-024	NW/c N. 1st & Taylor	Central	MF	433	DT	---
PD03-079	12/17/03	Del Monte Housing	264-15-005	NE/c Auzerais & Sunol	Central	SF/MF	383	EM	---
PDC05-049	5/9/05	IDS Mixed Use (EEHVS)	660-33-027	E/s Yerba Buena, opp. Verona	Evergreen	SF	225	JB	---
PDC05-095	9/20/05	Fruitdale Station (Phase 2)	284-02-008	SE/c Southwest Expwy & Fruitdale	Willow Glen	MF	221	ES	---
PD05-066	9/19/05	Santana Row (Parcel 8B)	277-46-001	SE/c Winchester & Stevens Creek	West Valley	SF/MF	220	EM	---
PD05-082	11/2/05	Samaritan Drive Homes	421-07-021	NE/c Samaritan & Clydelle	Cambrian/Pioneer	SF	202	SS	---
PDC05-060	5/26/05	Messina Housing	254-06-037	SW/c N. Capitol & Mabury	Alum Rock	SF	199	SM	---
H05-029	6/21/05	Park View Towers	467-01-118	N/s St. James, bet N. 1st & N. 2nd	Central	SF	186	LB	---
H06-005	1/20/06	Fountain Alley Mixed Use	467-22-121	W/s S. 2nd, 150' sly Santa Clara	Central	MF	161	LX	---
PDC05-037	4/15/05	Park Avenue Lofts	261-36-062	N/s Park, 450' eby Sunol	Central	MF	122	HL	---
PD05-063	9/1/05	Westmount Square Apts	249-09-009	SE/c E. Mission & N. 10th	Central	SF/MF	119	LB	---
PD05-084	11/14/05	Autumnvale Condos	244-31-011	SW/c N. Capitol & Autumnvale	Berryessa	MF	104	JR	---
PDC05-080	8/8/05	Lou's Village Homes	274-14-077	N/s W. San Carlos, 650' wly Meridian	Central	SF	96	EM	---
PDA05-015-01	8/17/05	Cherry Acres	254-17-077	NW/c King & Mabury	Alum Rock	SF	91	SM	---

**Major Residential Development Activity
Projects of 50+ Dwelling Units, Submitted Since 1/1/02***

File Number	Filing Date	Project Name	Tracking APN	Street Location	Planning Area	Housing Type	No. of Units	Proj. Mgr	Approval Date
PDC05-104	10/24/05	305 San Antonio Court	481-46-010	E/s Hwy 101, wly term San Antonio	Alum Rock	MF	86	HL	---
PDC04-088	11/17/04	Blackwell Condos	481-18-013	W/s McCreery, 230' sly Alum Rock	Alum Rock	SF	80	HL	---
PD05-056	7/27/05	Core Homes at Lewis	497-31-001	NW/s Lewis, 210' swly Garden	South	SF	80	LM	---
PDC05-071	6/30/05	Trumark Homes	497-33-001	E/s Monterey, 600' sly Umbarger	South	SF	72	LM	---
PDC05-091	9/13/05	Curci Glen Lofts	284-03-020	SW/c Meridian & Curci	Willow Glen	SF	57	ES	---
PD05-094	12/19/05	Almaden Walk Condos	455-31-023	E/s Almaden, opp Malone	South	MF	56	ES	---
PDC05-064	6/6/05	Grandview Drive Homes	592-06-020	NE/c N. Capitol & Grandview	Alum Rock	MF	46	SM	---

Total

16,252

GRAND TOTAL

28,578

Footnotes:

(1) Includes PD02-051 (47 units)

(2) Includes PD00-090 (17 units), PD01-068 (127 units), PD02-021 (76 units), PD03-055 (114 units), PD03-074 (14 units), PD04-041 (15 units), and PD04-048 (68 units)

(3) Includes PDC05-056 (12 units)

(4) Includes PD03-038 (55 units)

File Number Prefixes: PDC= Planned Development Rezoning; PD= Planned Development Permit; H= Site Development Permit; CP= Conditional Use Permit

*Note: Minimum project size criteria modified (from 100+ dwelling units) in May, 2003

Major Commercial Development Activity
Projects of 25,000+ Square Feet, Submitted Since 1/1/02

File Number	Filing Date	Project Name	Tracking APN	Street Location	Planning Area	Square Footage (approx.)	# of New Guest Rooms	Proj. Mgr	Approval Date
<u>Projects Completed</u>									
PD03-035	6/23/03	Target Stores	458-13-017	SW/c Santa Teresa & Thornwood	Edenvale	164,000		DM	9/5/03
PDA00-017-01	8/29/03	Santana Row (Parcel 7)	277-40-012	SE/c Winchester & Stevens Creek	West Valley	88,000		EM	9/26/03
PD02-055	7/31/02	Samaritan Women/Children Center	421-36-009	NW/c Samaritan Dr & PI	Cambrian/Pioneer	84,000		TE	12/20/02
H02-032	6/18/02	San Jose Airport Hangar/Office	230-46-041	E/s Coleman, 1900' nly Newhall	North	76,000		EL	12/10/02
CPA01-105-01	7/25/02	Beshoff MotorCars	491-02-057	NE/c Capitol & Tully	Alum Rock	74,000		JB	9/25/02
PD03-057	10/3/03	Ringwood Business Center	244-19-029	N/s Ringwood, 900' nly McKay	Berryessa	72,000		CG	3/26/04
PD02-063	8/26/02	Santana Row (Best Buy)	277-33-004	SE/c Winchester & Stevens Creek	West Valley	48,000		SP	11/15/02
PD02-074	10/8/02	Santana Row (Container Store)	277-33-004	SE/c Winchester & Stevens Creek	West Valley	34,000		BB	11/27/02
PD02-062	8/26/02	Santana Row (Century Theatres)	277-40-014	SE/c Winchester & Stevens Creek	West Valley	28,000		BB	11/22/02
PD03-037	6/25/03	Congregation Sinai	429-48-013	SE/c Willowbrae & Willow Oaks	Willow Glen	25,000		AA	12/12/03
PD02-053	7/24/02	Smythe European	296-38-012	SW/c Stevens Creek & Palace	West Valley	25,000		DM	12/20/02

Total

718,000 -

Projects Under Construction

PD04-077	10/13/04	San Jose Marketcenter	259-13-065	SW/c Coleman & W. Taylor	Central	356,000		LX	12/10/04
CP02-047	8/1/02	Eastridge Shopping Center	491-04-006	SW/c Tully & Capitol	Evergreen	307,000		JB	8/13/03
CP03-030	4/25/03	Plaza de San Jose Shopping Center	486-11-032	SE & SW/c Story & S. King	Alum Rock	262,000		EL	9/10/03
PD04-090	12/8/04	Regional Medical Center (Phase 1)	481-05-021	SW/c McKee & N. Jackson	Alum Rock	256,000		RB	4/15/05
PD04-057	7/30/04	Paloma Centre ¹	670-15-012	SW/c Silver Creek & Aborn	Evergreen	107,000		JB	10/1/04
H04-015	3/26/04	Tully Road Office	477-22-032	S/s Tully, 250' ely Monterey	South	32,000		ES	11/19/04

Total

1,320,000 -

Approved Projects (Construction Not Yet Commenced)

PDC02-046	5/14/02	Delmas Office	259-38-131	NE/c San Fernando & Delmas	Central	1,009,000		AD	2/3/04
PDC03-093	11/7/03	Regional Medical Center	481-05-021	SW/c McKee & N. Jackson	Alum Rock	774,000		RB	1/25/05
PD03-038	6/27/03	Hacienda Gardens	442-44-018	W/s Meridian, both sides Foxworthy	Willow Glen	168,000		JB	10/29/04
PD04-019	3/19/04	Bay Area Self Storage	670-12-005	W/s S. King, 200' nwly Aborn	Evergreen	159,000		RM	3/3/05
PD01-088	8/8/01	First United Methodist Church	467-19-073	NE/c E. Santa Clara & N. 5th	Central	142,000		JD	12/20/02

Major Commercial Development Activity
Projects of 25,000+ Square Feet, Submitted Since 1/1/02

File Number	Filing Date	Project Name	Tracking APN	Street Location	Planning Area	Square Footage (approx.)	# of New Guest Rooms	Proj. Mgr	Approval Date
H02-040	7/26/02	San Jose Airport Hangar/Office	230-46-042	SE/c Coleman & Aviation	North	90,000		EL	7/2/03
H04-038	8/11/04	Central Place Mixed Use	467-22-133	S/s San Fernando bet 2nd & 3rd	Central	68,000		LX	1/14/05
CP02-026	5/10/02	Friendly Ford	459-04-003	N/s Capitol, 200' ely Old Almaden	South	65,000		DM	1/22/03
CP02-048	8/2/02	Harker School (Main Campus)	303-25-001	NW/c Saratoga & Hwy 280	West Valley	58,000		DM	10/9/02
CP04-014	2/25/04	Stevens Creek Volkswagen	296-38-010	SE/c Stevens Creek & Palace	West Valley	41,000		RR	4/27/05
PD02-003	1/15/02	Church of the Crossroads	676-02-018	SE/c Yerba Buena & Dove Hill	Evergreen	36,000		JB	4/19/02
CP03-074	11/26/03	Mission Square Shopping Center	429-20-046	SW/c Minnesota & Bird	Willow Glen	32,000		JR	7/28/04
PDC02-047	5/14/02	South Bay Islamic Assoc.	652-13-001	E/s Ruby, 250' nly Murillo	Alum Rock	28,000		JB	10/21/03
H03-048	9/16/03	Gould Shopping Center	499-36-048	NW/c Capitol & McLaughlin	South	27,000		ES	6/14/04
PD05-024	3/21/05	Gold Street Office	015-34-063	SW/c Gold & Guadalupe River	Alviso	24,000		SM	7/6/05
Total						2,721,000	-		

Projects Pending City Approval

PDC03-108	12/23/03	Flea Market Mixed Use	254-17-084	Both sides Berryessa, wly UP railroad	Berry./Alum Rock	700,000		RB	---
PD05-058	8/4/05	GE Site Shopping Center	455-05-011	NW/c Curtner & Monterey	South	616,000		LM	---
PD05-087	11/18/05	Hitachi Site Mixed Use	706-04-013	NE/c Cottle & Hwy 85	Edenvale	460,000		JR	---
PDC04-100	11/2/04	iStar Site Mixed Use	706-03-014	NW/c Monterey & Hwy 85	Edenvale	450,000		EL	---
PDC04-041	5/3/04	Heritage Oaks Cemetery	712-03-090	S/s Bailey, 3300' wly Santa Teresa	Coyote	380,000		JR	---
PD05-016	2/14/05	Story Road Commercial Condos	472-11-065	N/s Story, 700' swly McLaughlin	Central	279,000		ME	---
PDC06-003	1/6/06	Lowe's Home Improvement	706-06-015	SE/c Monterey & Cottle	Edenvale	205,000		JR	---
PDC05-053	5/9/05	Evergreen College Mixed Use (EEHVS)	660-21-023	N/s Yerba Buena, 350' ely San Felipe	Evergreen	195,000		JB	---
PD05-095	12/22/05	Silver Creek Valley Place	678-07-029	SE/c Silver Creek Valley & Hwy 101	Edenvale	178,000		JR	---
CP05-034	6/9/05	The Home Depot	484-33-057	NE/c Story & McGinness	Alum Rock	149,000		HL	---
CP05-046	7/29/05	Costco Wholesale	244-14-014	NW/c Hostetter & Automation	Berryessa	147,000		JR	---
PDC04-043	4/28/04	Smythe European	296-38-012	SW/c Stevens Creek & Palace	West Valley	138,000		DM	---
PDC05-030	4/4/05	Santana Row	277-33-004	SE/c Winchester & Stevens Creek	West Valley	119,000	190	CH	---
PDC05-050	5/9/05	Arcadia Mixed Use (EEHVS)	670-29-020	S/s Quimby, 1000' wly Capitol	Evergreen	100,000		JB	---
PDC03-024	3/17/03	Alviso Youth Foundation	015-34-059	W/s Gold term El Dorado	Alviso	62,000		SM	---
PD05-065	9/9/05	Senter/Quinn Retail	477-73-039	E/s Senter, 200' nly Quinn	South	59,000		LM	---
PDC03-032	4/18/03	Extended Stay America	477-06-027	E/s Monterey, 170' nwly Alma	Central	53,000	122	LX	---
PDC05-013	2/14/05	King Road Mixed Use	481-17-070	E/s S. King, 300' nly E. San Antonio	Alum Rock	48,000		HL	---
H05-006	2/7/05	Westgate West Shopping Center	381-36-012	NE/c Prospect & Lawrence	West Valley	42,000		RR	---

**Major Commercial Development Activity
Projects of 25,000+ Square Feet, Submitted Since 1/1/02**

File Number	Filing Date	Project Name	Tracking APN	Street Location	Planning Area	Square Footage (approx.)	# of New Guest Rooms	Proj. Mgr	Approval Date
H03-041	7/17/03	McKee Office	481-05-024	SW/c McKee & Jose Figueres	Alum Rock	31,000		EL	---
CP02-045	7/30/02	Holiday Inn Express (annex)	497-38-004	E/s Monterey, 650' nly Umbarger	South	26,000	50	LM	---
PD03-058	10/6/03	Saint John Vianney Parish	601-09-011	W/s Alum Rock bet Maro & Marian	Alum Rock	23,000		EL	---
Total						4,460,000	362		
GRAND TOTAL						9,219,000	362		

Footnotes: (1) Includes PD04-067 (37,000 sq.ft.)

File Number Prefixes: H= Site Development Permit; CP= Conditional Use Permit; PDC= Planned Development Rezoning; PD= Planned Development Permit

Major Industrial Development Activity
Projects of 75,000+ Square Feet, Submitted Since 1/1/02

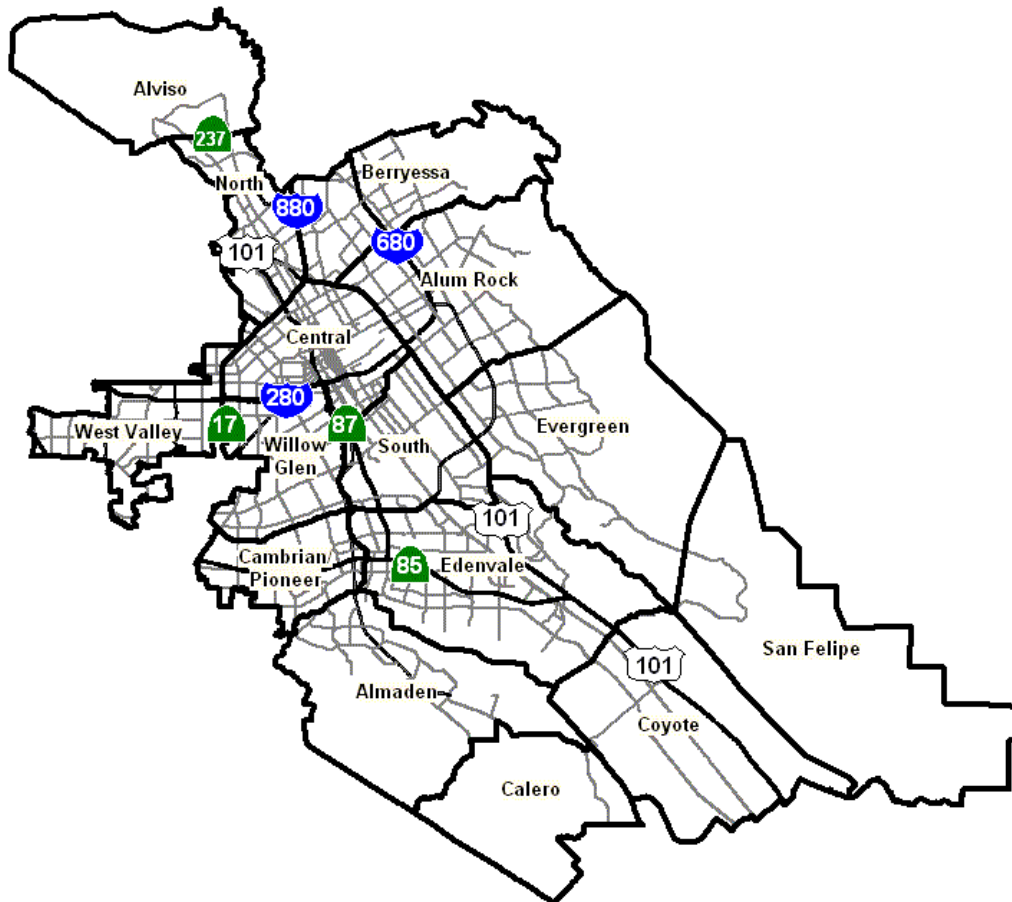
File Number	Filing Date	Project Name	Tracking APN	Street Location	Planning Area	Square Footage (approx.)	Proj. Mgr	Approval Date
<u>Projects Completed</u>								
H03-021	4/15/03	Venture Commerce Center (North)	244-18-009	NE/c Ringwood & Concourse	Berryessa	138,000	CG	9/24/03
H04-019	4/22/04	Venture Commerce Center (South)	678-93-012	N/s Piercy, 500' wly Hellyer	Edenvale	<u>68,000</u>	JR	8/13/04
Total						206,000		
<u>Projects Under Construction</u>								
H04-041	8/31/04	Silver Creek Business Center	678-08-046	S/s Piercy, 600' swly Hellyer	Edenvale	113,000	JR	11/24/04
SPA04-064-01	4/27/05	Hellyer Commons	678-08-038	SE/c Piercy & Hellyer	Edenvale	<u>98,000</u>	JR	7/1/05
Total						211,000		
<u>Approved Projects (Construction Not Yet Commenced)</u>								
PD04-059	8/4/04	BEA Systems	097-45-048	SW/c N. 1st & Component	North	2,800,000	MM	10/22/04
H03-039	7/3/03	eBay	097-60-008	SW/c Guadalupe & N. 1st	North	1,466,000	MM	12/12/03
PD03-034	6/18/03	Skyport Plaza (Phase 2)	230-29-056	W/s N. 1st bet Skyport & Sonora	North	<u>558,000</u>	MM	1/16/04
Total						4,824,000		
<u>Projects Pending City Approval</u>								
PDC04-100	11/2/04	iStar Site Mixed Use	706-03-014	NW/c Monterey & Hwy 85	Edenvale	1,000,000	EL	---
H05-053	10/28/05	Cadence Design Systems	097-66-005	N/s Montague at Trimble	North	208,000	JR	---
PDC05-005	1/20/05	Xilinx	421-07-031	NW/c Union & Hwy 85	Cambrian/Pioneer	<u>160,000</u>	SS	---
Total						1,368,000		
GRAND TOTAL						6,609,000		

File Number Prefixes: H= Site Development Permit; CP= Conditional Use Permit; PDC= Planned Development Rezoning; PD= Planned Development Permit

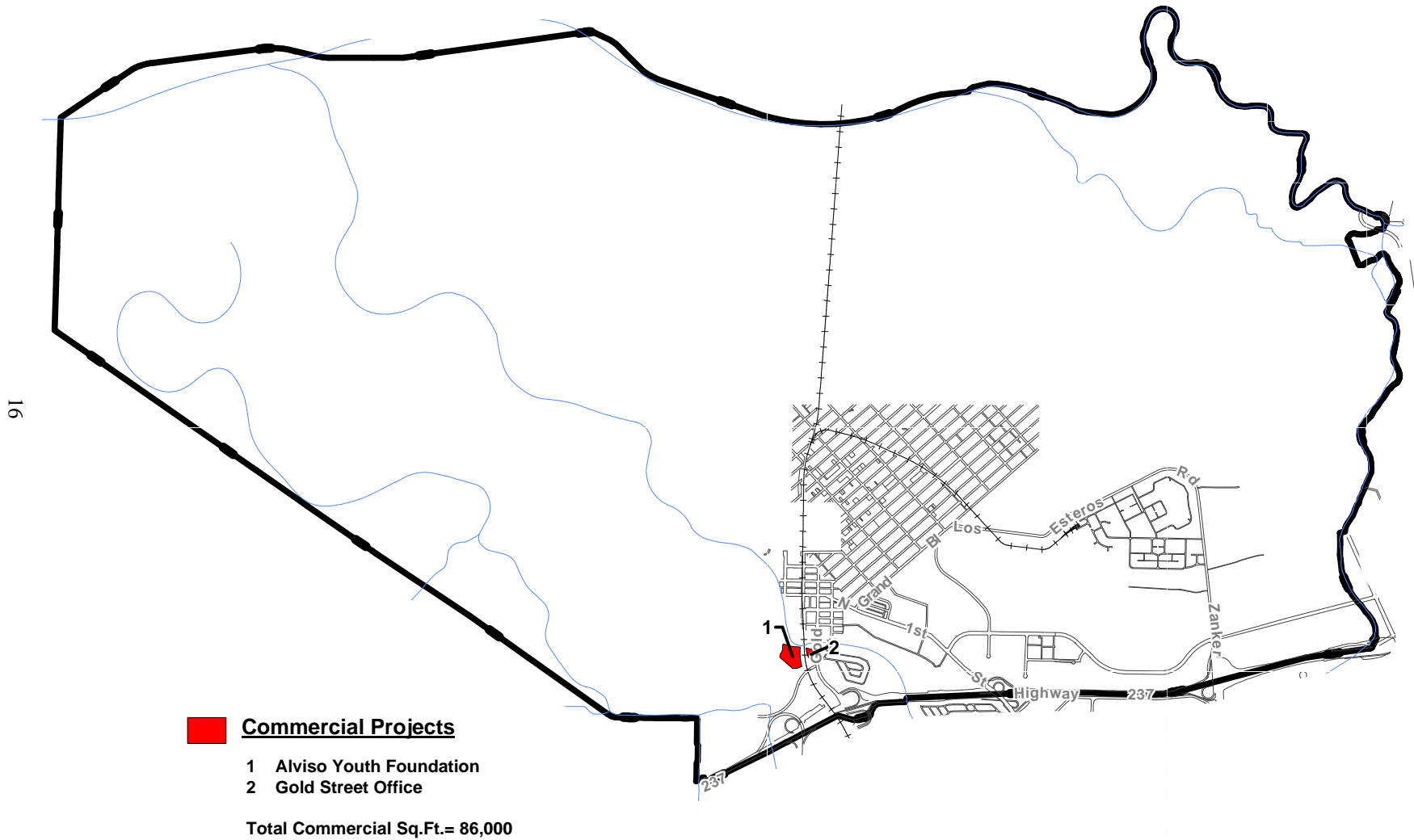
VI. MAJOR DEVELOPMENT ACTIVITY MAPS (PLANNING AREAS)

San Jose is divided into a total of fifteen (15) planning areas (see Figure 1, below). The individual planning area maps that follow include projects in all status categories submitted since January 1, 2002. These maps can be used in conjunction with the data contained in Section V of this report to allow closer analysis of the rate, type, and location of major development activity in the City. (Note: map exhibits are not provided for the Almaden, San Felipe, or Calero planning areas as no major development activity occurred there and/or these areas are outside the City's Urban Service Area and Urban Growth Boundary).

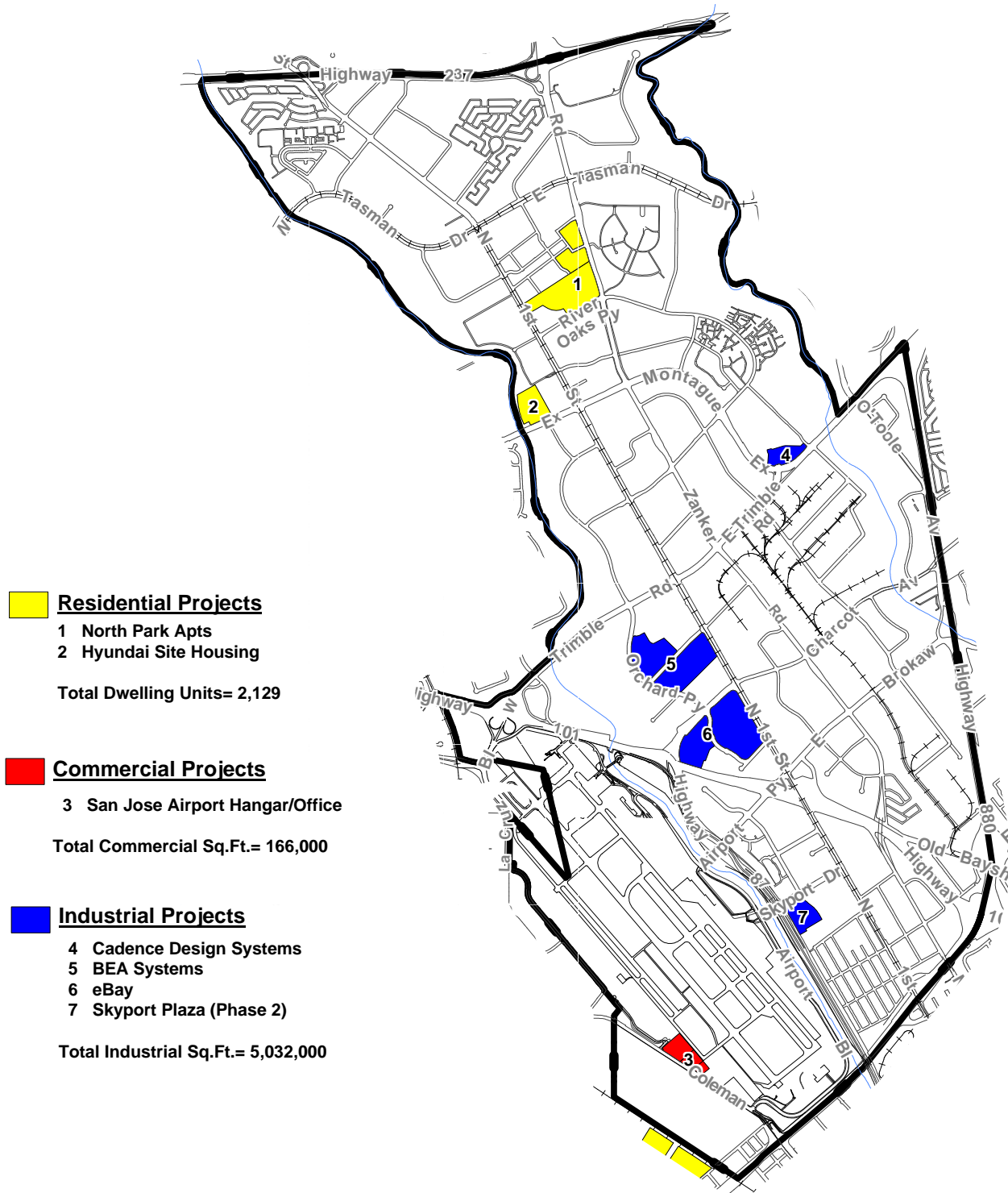
Figure 1: San Jose Planning Areas



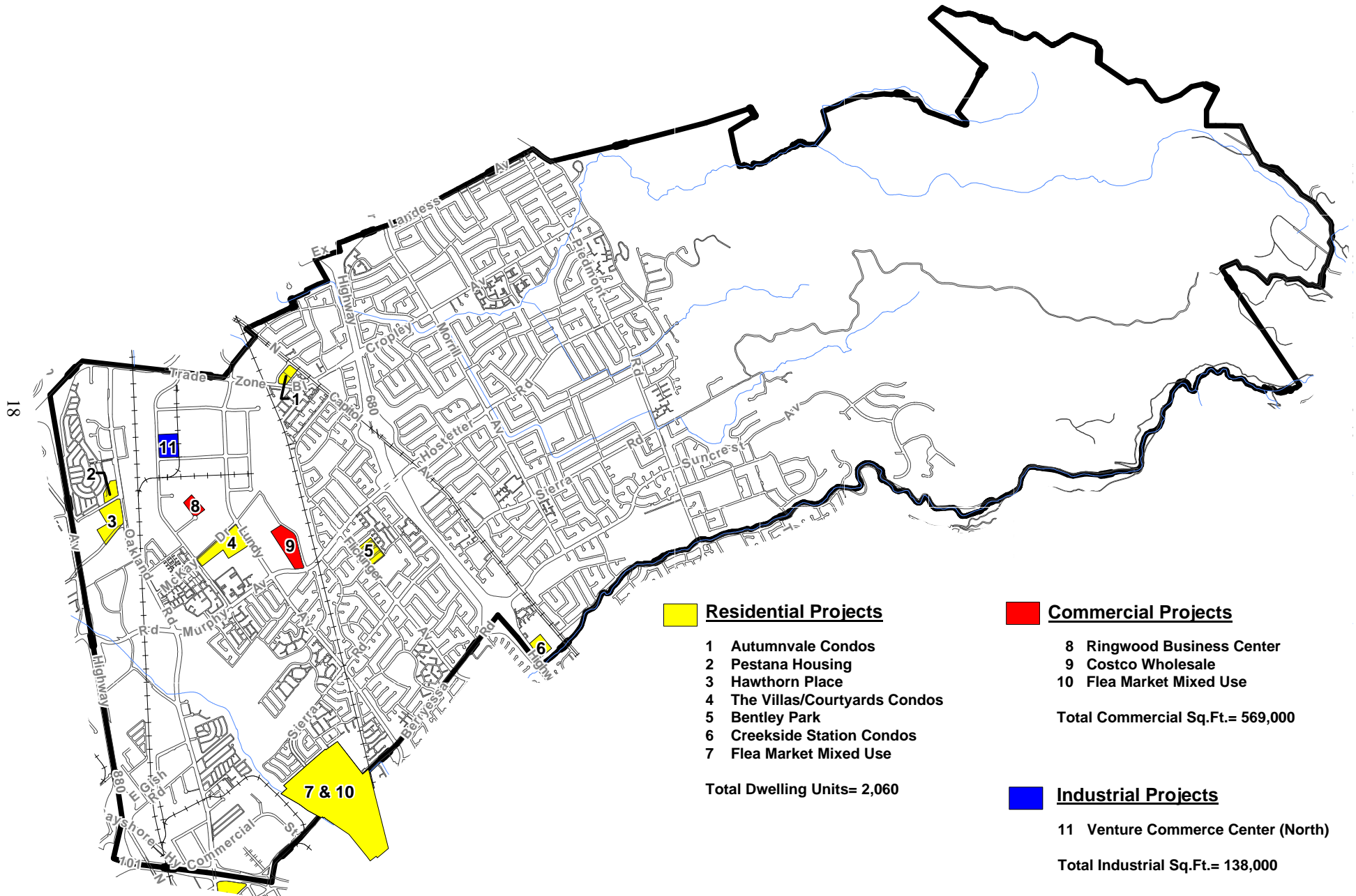
Alviso Planning Area Major Development Activity



North Planning Area Major Development Activity



Berryessa Planning Area Major Development Activity



Central Planning Area Major Development Activity



Residential Projects

- | | |
|--------------------------------|---------------------------------------|
| 1 Modern Ice Housing | 17 Autumn Terrace at Bonita |
| 2 Viridian at Bernal Park | 18 Fiesta Senior Apts |
| 3 Westmount Square Apts | 19 Lou's Village Homes |
| 4 Ajisai Gardens Condos | 20 Cahill Park |
| 5 Vendome Place | 21 Park Avenue Lofts |
| 6 Cinnabar Commons | 22 Delmas Housing |
| 7 City Heights at Pellier Park | 23 Midtown Plaza Condos |
| 8 Park View Towers | 24 Del Monte Housing |
| 9 Heart of the City Mixed Use | 25 Delmas Park Mixed Use |
| 10 San Jose Condos | 26 Virginia Terrace Townhomes |
| 11 Fountain Alley Mixed Use | 27 Bella Castello at Kelley Park Apts |
| 12 Central Place Mixed Use | 28 Art Ark Apts |
| 13 The Heritage Mixed Use | 29 Tamien Place Condos |
| 14 Casa Feliz SRO | 30 Almaden Road Apts |
| 15 Autumn Terrace at College | |
| 16 Autumn Terrace at William | |

Total Dwelling Units= 5,724



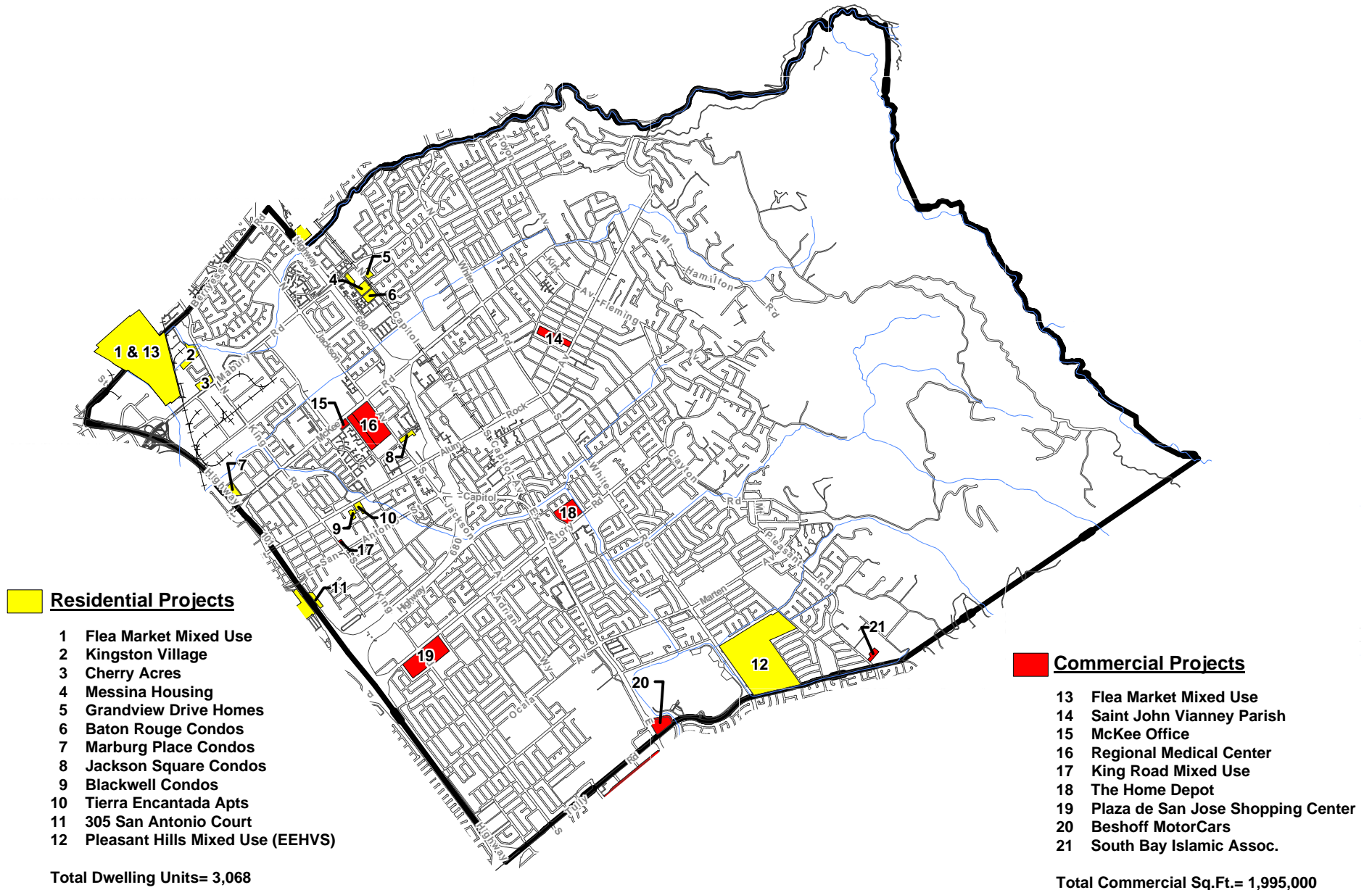
Commercial Projects

- | |
|----------------------------------|
| 31 San Jose Marketcenter |
| 32 First United Methodist Church |
| 33 Central Place Mixed Use |
| 34 Delmas Office |
| 35 Story Road Commercial Condos |
| 36 Extended Stay America |

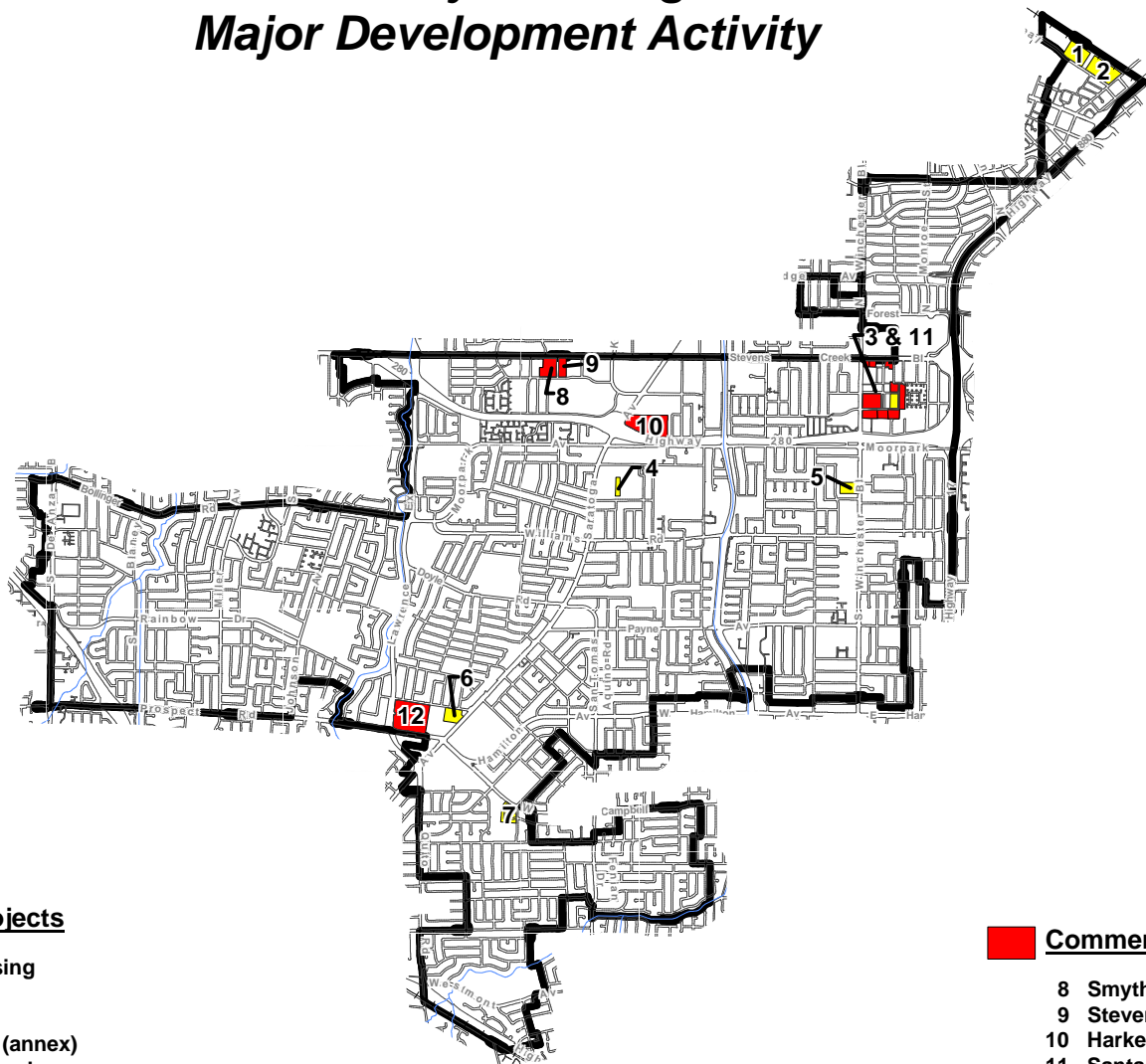
Total Commercial Sq.Ft.= 1,907,000

Alum Rock Planning Area Major Development Activity

20



West Valley Planning Area Major Development Activity



Residential Projects

- 1 Campbell Housing
- 2 Altura Condos
- 3 Santana Row
- 4 Oakwood Apts (annex)
- 5 Villa Cortina Condos
- 6 Siena at Saratoga Townhomes
- 7 WoodGlen

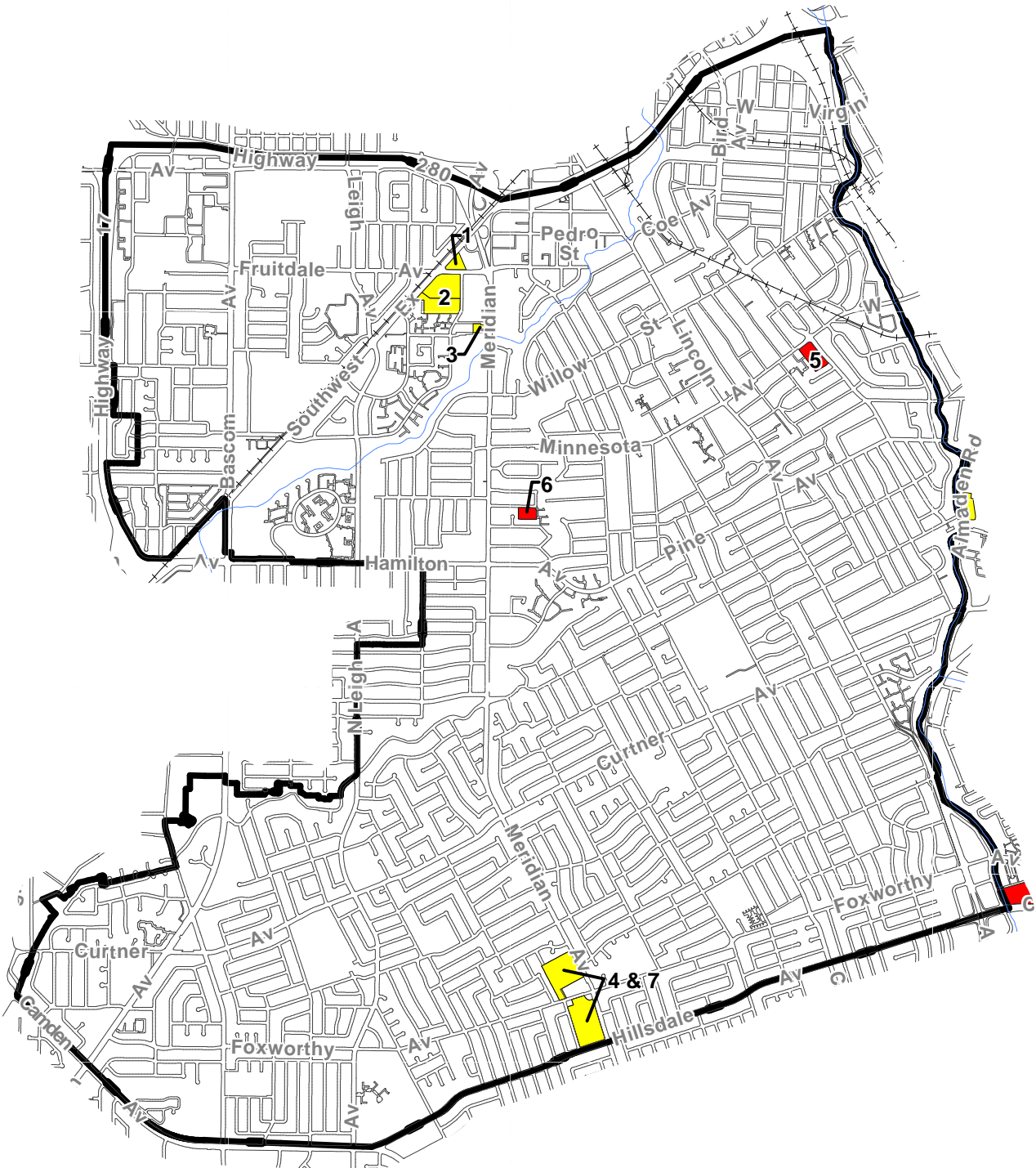
Total Dwelling Units= 2,138

Commercial Projects

- 8 Smythe European
- 9 Stevens Creek Volkswagen
- 10 Harker School (Main Campus)
- 11 Santana Row
- 12 Westgate West Shopping Center

Total Commercial Sq.Ft.= 621,000

Willow Glen Planning Area Major Development Activity



Residential Projects

- 1 Fruitdale Apts
- 2 Fruitdale Station
- 3 Curci Glen Lofts
- 4 Hacienda Gardens

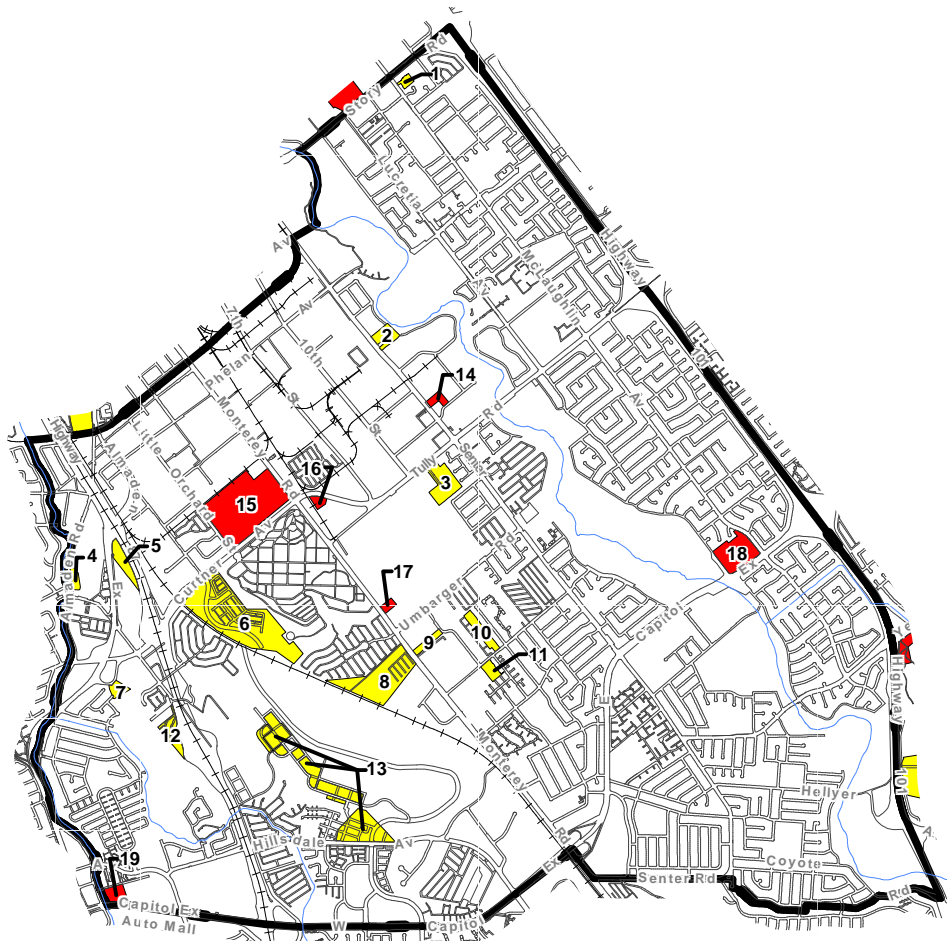
Total Dwelling Units= 872

Commercial Projects

- 5 Mission Square Shopping Center
- 6 Congregation Sinai
- 7 Hacienda Gardens

Total Commercial Sq.Ft.= 225,000

South Planning Area Major Development Activity



Residential Projects

- 1 Pollard Plaza Apts
- 2 Paseo Senter Family Apts
- 3 Corde Terra Apts/Homes
- 4 Almaden Walk Condos
- 5 Las Ventanas Apts
- 6 Dairy Hill
- 7 Venetian Terrace
- 8 Goble Lane Mixed Use
- 9 Trumark Homes
- 10 Core Homes at Lewis
- 11 Summer Breeze Apts
- 12 Provinsalia Condos
- 13 Tuscany Hills

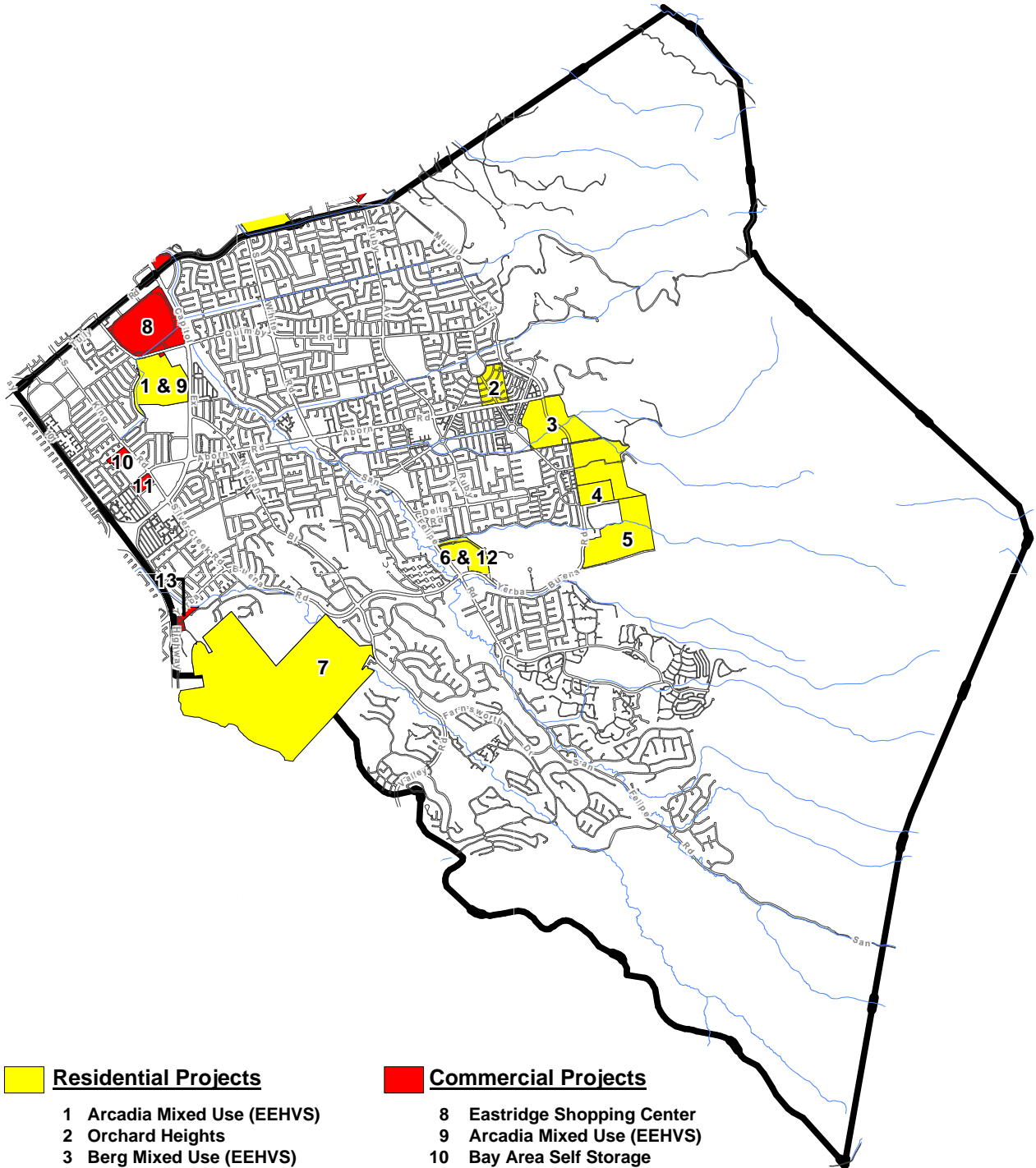
Total Dwelling Units= 3,868

Commercial Projects

- 14 Senter/Quinn Retail
- 15 GE Site Shopping Center
- 16 Tully Road Office
- 17 Holiday Inn Express (annex)
- 18 Gould Shopping Center
- 19 Friendly Ford

Total Commercial Sq.Ft.= 825,000

Evergreen Planning Area Major Development Activity



Residential Projects

- 1 Arcadia Mixed Use (EEHVS)
- 2 Orchard Heights
- 3 Berg Mixed Use (EEHVS)
- 4 IDS Mixed Use (EEHVS)
- 5 Legacy Mixed Use (EEHVS)
- 6 Evergreen College Mixed Use (EEHVS)
- 7 Ranch on Silver Creek

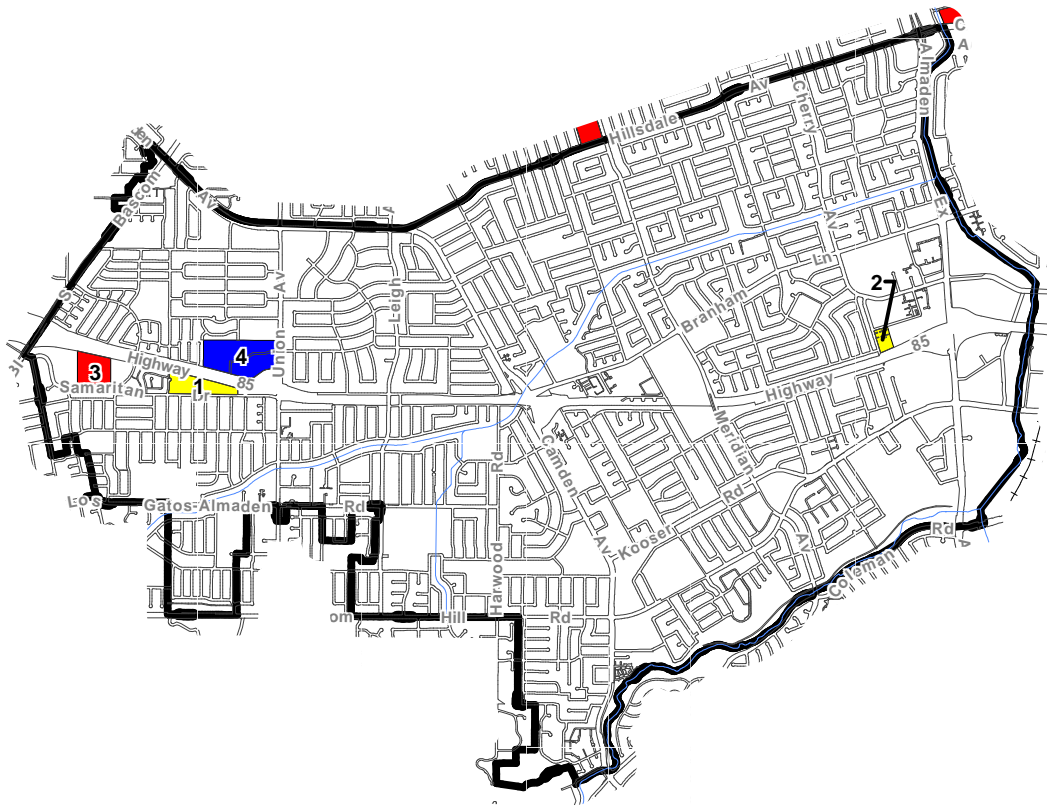
Total Dwelling Units= 4,780

Commercial Projects

- 8 Eastridge Shopping Center
- 9 Arcadia Mixed Use (EEHVS)
- 10 Bay Area Self Storage
- 11 Paloma Centre
- 12 Evergreen College Mixed Use (EEHVS)
- 13 Church of the Crossroads

Total Commercial Sq.Ft.= 904,000

Cambrian/Pioneer Planning Area Major Development Activity



Residential Projects

- 1 Samaritan Drive Homes
- 2 Oaks of Almaden Senior Apts

Total Dwelling Units= 352

Commercial Projects

- 3 Samaritan Women/Children Center

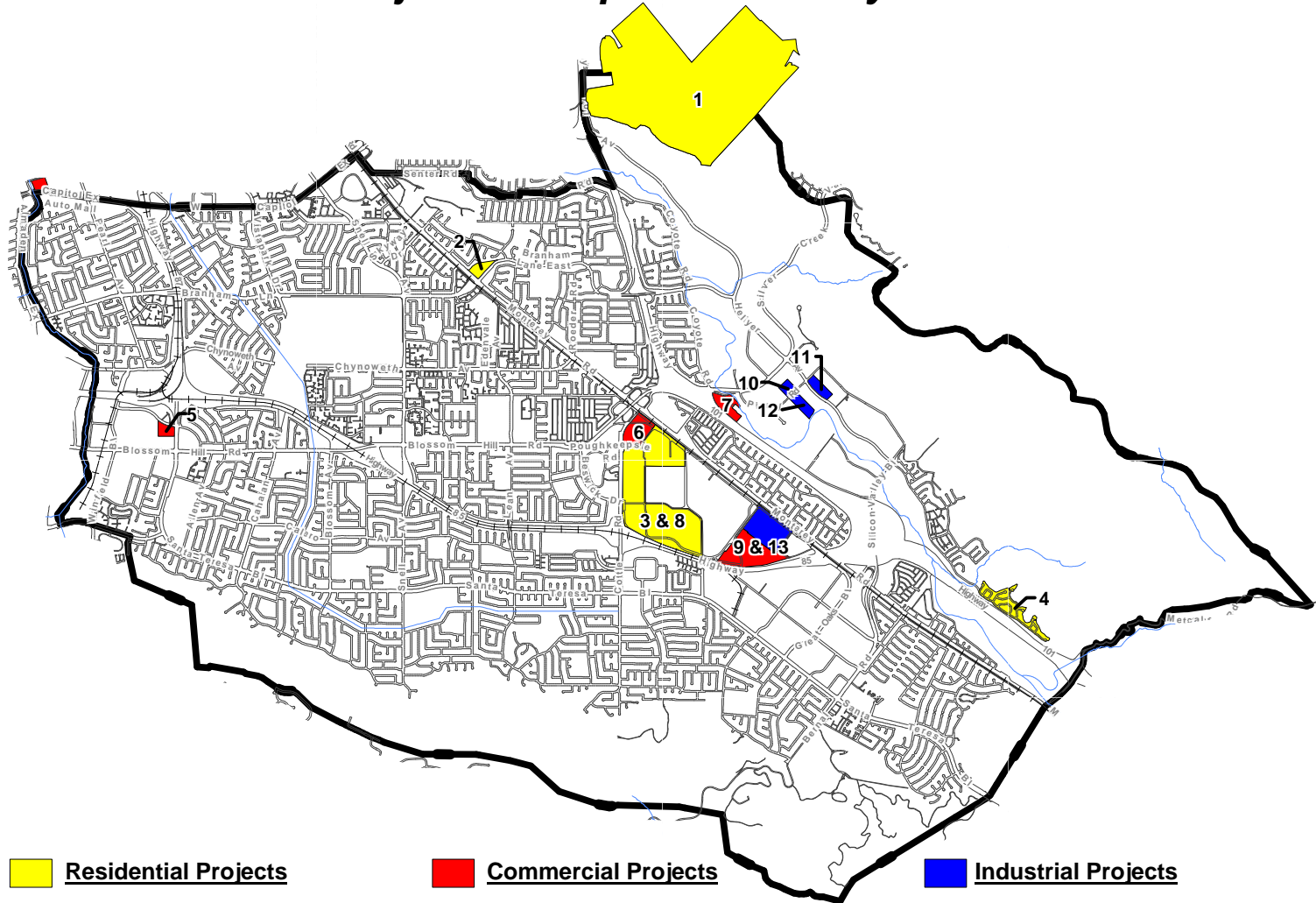
Total Commercial Sq.Ft.= 84,000

Industrial Projects

- 4 Xilinx

Total Industrial Sq.Ft.= 160,000

Edenvale Planning Area Major Development Activity



- 1 Ranch on Silver Creek
- 2 Oak Tree Village Apts
- 3 Hitachi Site Mixed Use
- 4 Del Rosa at Miramonte

Total Dwelling Units= 3,587

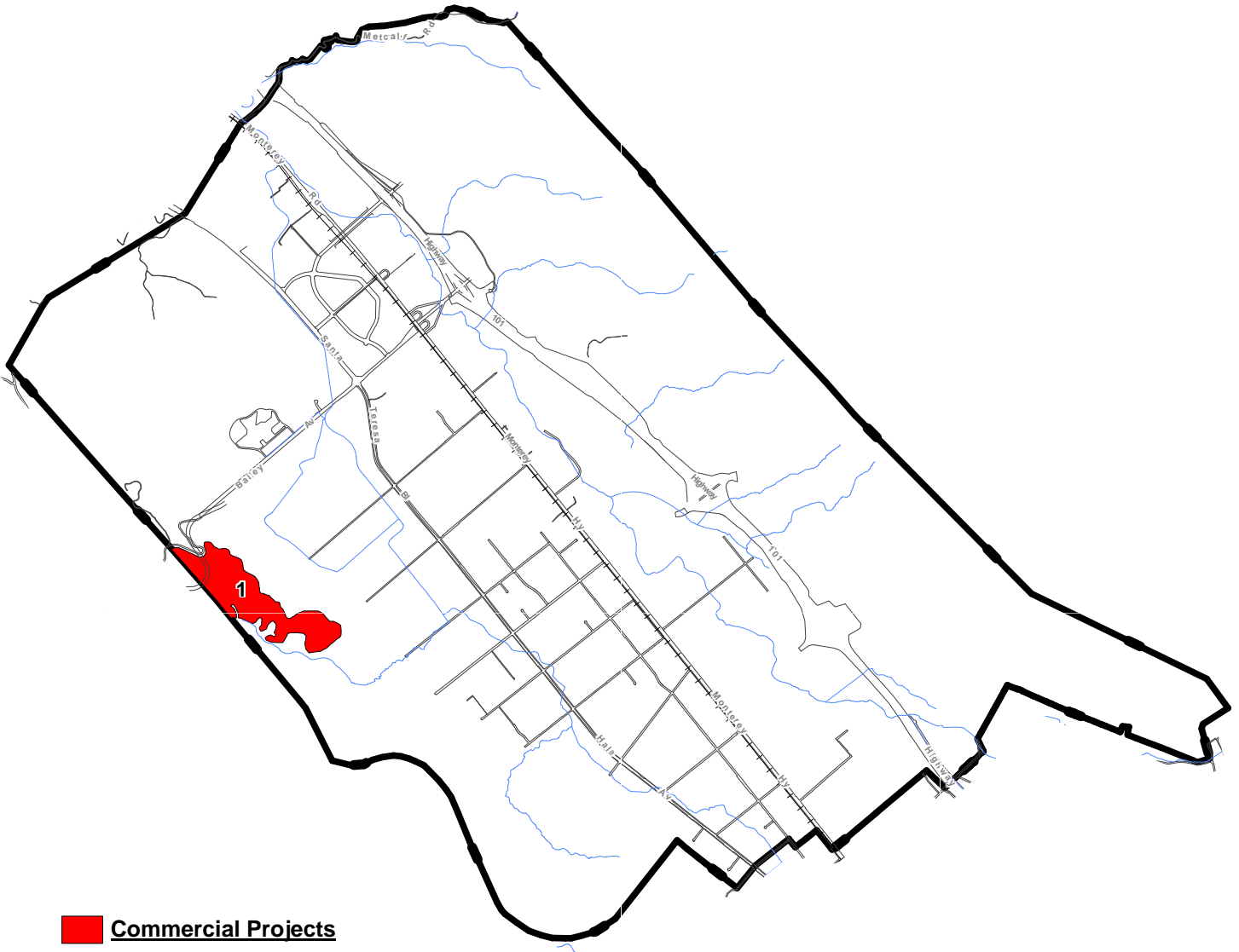
- 5 Target Stores
- 6 Lowe's Home Improvement
- 7 Silver Creek Valley Place
- 8 Hitachi Site Mixed Use
- 9 iStar Site Mixed Use

Total Commercial Sq.Ft.= 1,457,000

- 10 Venture Commerce Center (South)
- 11 Hellyer Commons
- 12 Silver Creek Business Center
- 13 iStar Mixed Use

Total Industrial Sq.Ft.= 1,279,000

Coyote Planning Area Major Development Activity



Commercial Projects

1 Heritage Oaks Cemetery

Total Commercial Sq.Ft.= 380,000

VII. APPENDIX: SOURCES

The Department of Planning, Building and Code Enforcement utilized a variety of information sources in the preparation of this report. These sources are described below.

Data Collection and Analysis

The Department's development project database was the primary initial resource for information on applications submitted to the City. Spreadsheets and Geographic Information Systems (GIS) were also used to manage and display this empirical information in a format that was more readily comprehended. Architectural drawings, aerial photographs, and fieldwork were also used to evaluate site-specific issues that could have affected the anticipated cost or timing of a project's construction.

Planning staff conducted and/or participated in a series of interviews/discussions with a variety of persons, including City staff processing development applications, developers or their representatives, and others working in the development industry or related fields, such as the City's Office of Economic Development and Redevelopment Agency. These discussions surfaced important information on specific development projects as well as provided a forum for review of the economic assumptions underlying the report's five-year forecast.

Review of Publications

Planning staff consulted several publications that made an important contribution to the preparation of this report, including: San Jose Business Journal and San Jose Mercury News (various articles), the Silicon Valley Leadership Group's *Projections 2006*, Joint Venture Silicon Valley Network's *2006 Index of Silicon Valley*, the Association of Bay Area Governments' (ABAG) *Projections 2005* and *Regional Economic Outlook 2006-07*, Marcus & Millichap's *Market Research Reports* (periodic), RealFacts' *Residential Market Reports* (periodic), and Commercial Property Service's (CPS) *RealNews* (quarterly).